

MARK A. KLAASSEN
United States Attorney
C. LEVI MARTIN (WY 6-3781)
Assistant United States Attorney
2120 Capitol Avenue, Room 4002
Cheyenne, Wyoming 82001
Telephone: (307) 772-2124
Email: Christopher.Martin@usdoj.gov

FILED
U.S. DISTRICT COURT
DISTRICT OF WYOMING
2019 MAR 25 AM 10:26
STEPHAN HARRIS, CLERK
CHEYENNE

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF WYOMING**

UNITED STATES OF AMERICA,

Plaintiff,

v.

MARC L. EDWARDS and STRONG
HOLDINGS, LLC,

Defendants.

Case No.

19-CV-60-F

**UNITED STATES' COMPLAINT
TO REDUCE FEDERAL INCOME
TAX ASSESSMENTS TO
JUDGMENT AND TO FORECLOSE
FEDERAL TAX LIENS**

NATURE OF ACTION

The United States of America, through undersigned counsel, claims and alleges against the defendants as follows:

1. This is a civil action to reduce to judgment outstanding federal income tax assessments against Marc L. Edwards and to foreclose federal tax liens arising from those liabilities against a parcel of real property.

2. This action is commenced pursuant to 26 U.S.C. ("IRC") §§ 7401 and 7403, and at the direction of the Attorney General of the United States, and at the request and with the authorization of the Chief Counsel of the Internal Revenue Service, a delegate of the Secretary of the Treasury of the United States.

JURISDICTION AND VENUE

3. This Court has jurisdiction pursuant to IRC § 7402 and 28 U.S.C. §§ 1340 and 1345.

4. Venue of this action properly lies in this district pursuant to 28 U.S.C. §§ 1391(b) and 1396 because the defendant resides therein, the liabilities that are the subject of this action accrued in this district, and the real property at issue in the suit is located herein.

IDENTIFICATION OF THE DEFENDANTS

5. Defendant Marc L. Edwards resides in Gillette, Wyoming. Further the federal income tax liabilities at issue in this suit arose while he was a resident of Wyoming, and Marc L. Edwards and/or his nominee is the sole owner of the real property upon which the United States seeks to foreclose its federal tax liens.

6. Defendant Strong Holdings, LLC is named as a defendant pursuant to IRC 7403(b) as, to the extent it exists, it may claim an interest in the real property at issue herein.

TRANSFERS OF THE SUBJECT PROPERTY

7. The parcel of real property that is the subject of this action is located at 1103 Edwards Street, Gillette, Wyoming (“the real property”). A legal description of this property is attached hereto as Exhibit A.

8. On February 11, 1991, a Warranty Deed was recorded with the Campbell County, Wyoming County Recorder transferring title of the real property to Mark L. Edwards.

9. On August 26, 2006, a Warranty Deed was recorded with the Campbell County, Wyoming County Recorder purporting to transfer title of the real property to Strong Holdings, LLC.

FIRST CLAIM FOR RELIEF: TO REDUCE ASSESSMENTS AGAINST MARC L. EDWARDS TO JUDGMENT

10. The United States realleges paragraphs 1 through 9, above.

11. On November 14, 2008, the United States Tax Court entered a decision establishing the federal income tax liabilities of Marc L. Edwards for 2000, 2002 and 2003. *See* Docket No. 18423-08.

12. Based on the decision of the United States Tax Court referenced above, on the dates and in the amounts set forth below, a delegate of the Secretary of the Treasury made timely assessments for federal individual income taxes, plus statutory penalties and interest accruing thereto, against Marc L. Edwards as follows:

Tax Period Ending	Tax Type	Assessment Date	Assessed Amount
12/31/2000	Income	04/06/2009 12/01/2014 12/07/2015 12/05/2016 12/04/2017 12/03/2018	\$35,311.00 (T) \$8,827.75 (FTP) \$1,899.19 (ETP) \$7,944.98 (FFP) \$27,523.65 (I) \$17,127.63 (I) \$2,817.16 (I) \$3,487.74 (I) \$3,944.22 (I) \$4,818.43 (I)
12/31/2002	Income	04/06/2009 12/01/2014 12/07/2015 12/05/2016 12/04/2017 12/03/2018	\$13,439.00 (T) \$3,359.75 (FTP) \$449.09 (ETP) \$3,023.78 (FFP) \$7,278.62 (I) \$5,832.18 (I) \$1,033.58 (I) \$1,284.50 (I) \$1,452.53 (I) \$1,774.42 (I)
12/31/2003	Income	04/06/2009 12/01/2014	\$10,629.00 (T) \$2,391.53 (FFP) \$274.24 (ETP) \$2,657.25 (FTP) \$4,928.89 (I) \$4,420.33 (I)

		12/07/2015	\$783.36 (I)
		12/05/2016	\$973.54 (I)
		12/04/2017	\$1,100.90 (I)
		12/03/2018	\$1,344.87 (I)

T=Tax FP=Fraud Penalty I=Interest FTP= Failure to Pay Penalty
ETP=Estimated Tax Penalty FFP=Failure to File Penalty

13. Since the date of the assessments described in paragraph 12, above, interest has accrued as provided by law. The total amount due and owing on the assessments described in paragraph 12, above, plus statutory interest pursuant to IRC §§ 6601, 6621, and 6622, and other statutory additions, less payments and credits, as of April 6, 2019, is \$177,626.20.

14. Despite timely notice and demand for payment of the assessments described in paragraph 12, above, defendant Marc L. Edwards has neglected, failed, or refused to pay the assessed amounts to the United States.

15. Marc L. Edwards remains indebted for the balance of the assessments described in paragraph 12, above, plus statutory interest pursuant to IRC §§ 6601, 6621, and 6622, less payments and credits.

**SECOND CLAIM FOR RELIEF: STRONG HOLDINGS, LLC
IS A NOMINEE OF MARC L. EDWARDS**

16. The United States re-alleges paragraphs 1 through 15, above.

17. Despite the purported transfer of the real property described in paragraph 9, above, Marc L. Edwards has remained in continuous possession and full enjoyment of the real property.

18. The purported transfer of the real property described in paragraph 9, above, was made for little or no consideration.

19. Despite the purported transfer of the real property described in paragraph 9, above, Marc L. Edwards has exercised complete and unbroken dominion and/or control over the real property.

20. The purported transfer of the real property described in paragraph 9, above, was made in anticipation of the federal tax liabilities at issue in this case

21. Upon information and belief, Strong Holdings, LLC does not interfere with Marc L. Edwards use of the real property.

22. Strong Holdings, LLC holds title to the real property, if at all, as a nominee of Marc L. Edwards.

23. Based on the above facts, Marc L. Edwards possesses an interest in the real property.

**THIRD CLAIM FOR RELIEF: TO SET ASIDE
FRAUDULENT CONVEYANCES OF REAL PROPERTY**

24. The United States re-alleges paragraphs 1 through 23, above.

25. The purported transfer of the real property described in paragraph 9, above, constituted a fraudulent transfer as to the United States under the Wyoming Uniform Fraudulent Transfer Act, Wyo. Stat. Ann. § 34-14-201 *et seq*, because the transfer was made with the actual intent to hinder, delay, or defraud the United States of present value, and future lawful taxes. As such, the purported transfer has no effect as to the United States under the law of the State of Wyoming, and the conveyance should be set aside.

26. The purported transfer of the real property described in paragraph 9, above, constituted a fraudulent transfer as to the United States under the Wyoming Uniform Fraudulent Transfer Act, Wyo. Stat. Ann. § 34-14-201 *et seq*, as the transfer impaired the rights of the United States to collect just and lawful debts. As such, the purported transfer has no effect as to the United States under the law of the State of Wyoming, and the conveyance should be set aside.

27. The purported transfer of the real property described in paragraph 9, above, constituted a fraudulent transfer as to the United States under the Wyoming Uniform Fraudulent Transfer Act, Wyo. Stat. Ann. § 34-14-201 *et seq*, as the purported transfer was made without receiving a reasonably equivalent value in exchange for the purported transfer, and the purported transfer was made while Marc L. Edwards intended to incur, or believed or reasonably should have believed that he would incur, federal tax liabilities beyond his ability to pay as the liabilities became due. As such, the purported transfer has no effect as to the United States under the law of the State of Wyoming, and the conveyance should be set aside.

28. The purported transfer of the real property described in paragraph 9, above, constituted a fraudulent transfer as to the United States under the Wyoming Uniform Fraudulent Transfer Act, Wyo. Stat. Ann. § 34-14-201 *et seq*, as the purported transfer was made without receiving a reasonably equivalent value in exchange for the purported transfer, and Marc L. Edwards was insolvent at the time, or became insolvent as a result of, the purported transfer. As such, the purported transfer has no effect as to the United States under the law of the State of Wyoming, and the conveyance should be set aside.

FOURTH CLAIM FOR RELIEF: FORECLOSURE OF FEDERAL TAX LIENS AGAINST PROPERTY HELD BY MARC L. EDWARDS

29. The United States re-alleges paragraphs 1 through 28, above.

30. Pursuant to IRC §§ 6321 and 6322, liens arose in favor of the United States on the dates of the assessments set forth in paragraph 12, above, and attached to all property and rights to property of Marc L. Edwards, including his interest in the real property described herein.

31. On April 24, 2006, a delegate of the Secretary of Treasury recorded in the County Recorder's Office for Campbell County, Wyoming, a Notice of Federal Tax Lien against Marc L. Edwards for the unpaid federal tax liabilities detailed in paragraph 12, above. This Notice of

Federal Tax Lien attached to all property and rights to property of Marc L. Edwards, including his interest in the real property described herein.

32. On June 17, 2009, a delegate of the Secretary of Treasury recorded in the County Recorder's Office for Campbell County, Wyoming, a Notice of Federal Tax Lien against Strong Holdings, LLC, as nominee of Marc L. Edwards for the unpaid federal tax liabilities detailed in paragraph 12, above. This Notice of Federal Tax Lien attached to all property and rights to property of Marc L. Edwards, including his interest in the real property described herein.

33. The United States is entitled to foreclose the federal tax liens described herein through sale of the parcel of real property described herein.

WHEREFORE, the United States prays that the Court adjudge and decree:

A. That defendant Marc L. Edwards is indebted to the United States in the amount of the assessments described in paragraph 12, above, plus statutory interest pursuant to IRC §§ 6601, 6621, and 28 U.S.C. § 1961(c), and other statutory additions, less any payments and credits;

B. That the United States has valid and subsisting federal tax liens by virtue of the assessments set forth in paragraph 12, above, on all property and rights to property belonging to defendant Marc L. Edwards, including his interest in the parcel of real property described herein;

C. That Strong Holdings, LLC was at all times pertinent hereto a nominee of defendant Marc L. Edwards, and thus holds the real property, if at all, as such nominee;

D. That the property transfer described in paragraph 9, above, be set aside as a fraudulent conveyance;

E. That the federal tax liens against defendant Marc L. Edwards described above be foreclosed upon his interest in the real property described herein, that the real property be

ordered sold, and that the proceeds from such sale be distributed in accordance with the Court's findings as to the validity and priority of the liens and claims of all parties;

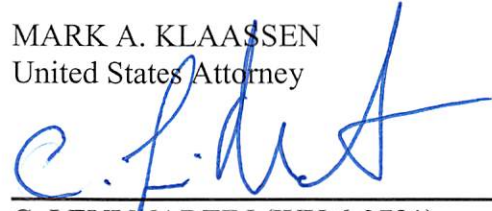
F. That to the extent proceeds from the sale of the real property fails to satisfy the tax liens against defendant Marc L. Edwards, a deficiency judgment in that amount be entered against defendant Marc L. Edwards;

G. That Strong Holdings, LLC has no interest in the real property;

H. That the United States be awarded its costs and such other further relief as is just and proper.

DATED this 25th day of March, 2019.

MARK A. KLAASSEN
United States Attorney



C. LEVI MARTIN (WY 6-3781)
Assistant United States Attorney
2120 Capitol Avenue, Room 4002
Cheyenne, Wyoming 82001

Exhibit A

EXHIBIT A PROPERTY DESCRIPTION

LEGAL DESCRIPTION

LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS ALL THAT CERTAIN PROPERTY SITUATED IN CITY OF GILLETTE IN THE COUNTY OF CAMPBELL, AND STATE OF WYOMING AND BEING DESCRIBED IN A DEED DATED 09/18/2006 AND RECORDED 08/28/2005 IN BOOK 2184 PAGE 51 AMONG THE LAND RECORDS OF THE COUNTY AND STATE SET FORTH ABOVE, AND REFERENCED AS FOLLOWS:

NW1/4SW1/4 OF SECTION 35, TOWNSHIP 50 NORTH, RANGE 72 WEST, 6TH P.M., CAMPBELL COUNTY, WYOMING AND IS MORE SPECIFICALLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT S. 1°15' W. 2867.15 FEET FROM THE NE CORNER OF SEC. 34, T. 50 N., R. 72 W., 6TH P.M., CAMPBELL COUNTY, WYOMING; THENCE N. 86°55' E., 287 FT., THENCE S. 0°40' W. 445.5 FT., THENCE S. 83°48' W., 287 FT., THENCE N. 1°52' W. 455 FT. TO THE POINT OF THE BEGINNING. SAID TRACT OF LAND LIES IN THE NW1/4SW1/4, SEC. 35, T. 50 N., R. 72 W., 66 P.M., CAMPBELL COUNTY, WYOMING, AND CONTAINS THREE ACRES, MORE OR LESS.

A TRACT OF LAND COMMENCING FROM THE WEST QUARTER CORNER OF SECTION 35, T. 50, R. 72, AND N 86° 55' E 287 FEET TO THE POINT OF BEGINNING. THENCE N 86° 55' E 96 FEET, THENCE S 0° 40' W 455 FEET, THENCE S 86° 55' W 96 FEET, THENCE N 0° 40' E 455 FEET TO THE POINT OF THE BEGINNING. SAID TRACT CONTAINS ONE ACRE AND LIES IN THE NW1/4SW1/4 OF SECTION 35, T. 50, R. 72.

TOGETHER WITH ALL IMPROVEMENTS THEREON.

EASEMENT FOR THE RIGHT OF INGRESS, EGRESS, CONSTRUCTION, AND MAINTENANCE OF UTILITIES, DATED AUGUST 5, 1994, RECORDED AUGUST 5, 1994, IN INSTRUMENT NO. 688112, BOOK 1302 PAGE 257.

PARCEL NO. 10442

COMMONLY KNOWN AS:

1103 EDWARDS ST, GILLETTE, WY 82718

CIVIL COVER SHEET

19-CV-60-F

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

UNITED STATES OF AMERICA

(b) County of Residence of First Listed Plaintiff

(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

C. Levi Martin, Assistant U.S. Attorney, 2120 Capitol Avenue, Room 4002, Cheyenne, Wyoming 82001 (307) 772-2124

DEFENDANTS

MARC L. EDWARDS and STRONG HOLDINGS, LLC

County of Residence of First Listed Defendant Campbell

(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☒ 1 U.S. Government Plaintiff
- ☐ 2 U.S. Government Defendant
- ☐ 3 Federal Question (U.S. Government Not a Party)
- ☐ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- | | PTF | DEF | | PTF | DEF |
|---|----------------------------|----------------------------|---|----------------------------|----------------------------|
| Citizen of This State | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Click here for: Nature of Suit Code Descriptions.

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	PERSONAL INJURY <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input checked="" type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	PRISONER PETITIONS Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

V. ORIGIN (Place an "X" in One Box Only)

- ☒ 1 Original Proceeding
- ☐ 2 Removed from State Court
- ☐ 3 Remanded from Appellate Court
- ☐ 4 Reinstated or Reopened
- ☐ 5 Transferred from Another District (specify)
- ☐ 6 Multidistrict Litigation - Transfer
- ☐ 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):

26 U.S.C. 7401, 7403

Brief description of cause:

Reduce Tax Assessments to Judgment and Foreclose Tax Liens

VII. REQUESTED IN COMPLAINT:
☐ CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.

DEMAND \$

CHECK YES only if demanded in complaint:

JURY DEMAND: ☐ Yes ☐ No**VIII. RELATED CASE(S) IF ANY**

(See instructions):

JUDGE

DOCKET NUMBER

DATE

SIGNATURE OF ATTORNEY OF RECORD

FOR OFFICE USE ONLY

RECEIPT #

AMOUNT

APPLYING IFP

JUDGE

MAG. JUDGE

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